

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Secretary of the Treasury by section 1 of Ex. Ord. No. 12781, Nov. 20, 1991, 56 F.R. 59203, set out as a note under section 301 of Title 3, The President.

§ 5354. Banks loan loss reserves

The Federal Reserve Board shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a report on the issues raised by including loan loss reserves as part of banks' primary capital for regulatory purposes by March 31, 1989. Such report shall include a review of the treatment of loan loss reserves and the composition of primary capital of banks in other major industrialized countries, and shall include an analysis as to whether loan loss reserves should continue to be counted as primary capital for regulatory purposes.

(Pub. L. 100-418, title III, § 3604, Aug. 23, 1988, 102 Stat. 1388.)

CHANGE OF NAME

Committee on Banking, Finance and Urban Affairs of House of Representatives treated as referring to Committee on Banking and Financial Services of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Banking and Financial Services of House of Representatives abolished and replaced by Committee on Financial Services of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred from Committee on Energy and Commerce of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

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§ 5401. Support for East European Democracy (SEED) Program**(a) SEED Program**

The United States shall implement, beginning in fiscal year 1990, a concerted Program of Support for East European Democracy (which may also be referred to as the "SEED Program"). The SEED Program shall be comprised of diverse undertakings designed to provide cost-effective assistance to those countries of Eastern Europe that have taken substantive steps toward institutionalizing political democracy and economic pluralism.

(b) Objectives of SEED assistance

The President should ensure that the assistance provided to East European countries pursuant to this chapter is designed—

(1) to contribute to the development of democratic institutions and political pluralism characterized by—

(A) the establishment of fully democratic and representative political systems based on free and fair elections,

(B) effective recognition of fundamental liberties and individual freedoms, including freedom of speech, religion, and association,

(C) termination of all laws and regulations which impede the operation of a free press and the formation of political parties,

(D) creation of an independent judiciary, and

- (E) establishment of non-partisan military, security, and police forces;
- (2) to promote the development of a free market economic system characterized by—
 - (A) privatization of economic entities,
 - (B) establishment of full rights to acquire and hold private property, including land and the benefits of contractual relations,
 - (C) simplification of regulatory controls regarding the establishment and operation of businesses,
 - (D) dismantlement of all wage and price controls,
 - (E) removal of trade restrictions, including on both imports and exports,
 - (F) liberalization of investment and capital, including the repatriation of profits by foreign investors;
 - (G) tax policies which provide incentives for economic activity and investment,
 - (H) establishment of rights to own and operate private banks and other financial service firms, as well as unrestricted access to private sources of credit, and
 - (I) access to a market for stocks, bonds, and other instruments through which individuals may invest in the private sector; and
- (3) not to contribute any substantial benefit—
 - (A) to Communist or other political parties or organizations which are not committed to respect for the democratic process, or
 - (B) to the defense or security forces of any member country of the Warsaw Pact.

(c) SEED Actions

Assistance and other activities under the SEED Program (which may be referred to as “SEED Actions”) shall include activities such as the following:

(1) Leadership in the World Bank and International Monetary Fund

United States leadership in supporting—

(A) loans by the International Bank for Reconstruction and Development and its affiliated institutions in the World Bank group that are designed to modernize industry, agriculture, and infrastructure, and

(B) International Monetary Fund programs designed to stimulate sound economic growth.

(2) Currency stabilization loans

United States leadership in supporting multilateral agreement to provide government-to-government loans for currency stabilization where such loans can reduce inflation and thereby foster conditions necessary for the effective implementation of economic reforms.

(3) Debt reduction and rescheduling

Participation in multilateral activities aimed at reducing and rescheduling a country’s international debt, when reduction and deferral of debt payments can assist the process of political and economic transition.

(4) Agricultural assistance

Assistance through the grant and concessional sale of food and other agricul-

tural commodities and products when such assistance can ease critical shortages but not inhibit agricultural production and marketing in the recipient country.

(5) Enterprise Funds

Grants to support private, nonprofit “Enterprise Funds”, designated by the President pursuant to law and governed by a Board of Directors, which undertake loans, grants, equity investments, feasibility studies, technical assistance, training, and other forms of assistance to private enterprise activities in the Eastern European country for which the Enterprise Fund so is designated.

(6) Labor market-oriented technical assistance

Technical assistance programs directed at promoting labor market reforms and facilitating economic adjustment.

(7) Technical training

Programs to provide technical skills to assist in the development of a market economy.

(8) Peace Corps

Establishment of Peace Corps programs.

(9) Support for indigenous credit unions

Support for the establishment of indigenous credit unions.

(10) Generalized System of Preferences

Eligibility for trade benefits under the Generalized System of Preferences.

(11) Normal trade relations

The granting of temporary or permanent nondiscriminatory treatment to the products of an East European country through the application of the criteria and procedures established by section 2432 of title 19 (commonly referred to as the “Jackson-Vanik amendment”).

(12) Overseas Private Investment Corporation

Programs of the Overseas Private Investment Corporation.

(13) Export-Import Bank programs

Programs of the Export-Import Bank of the United States.

(14) Trade and Development Program activities

Trade and Development Agency activities under the Foreign Assistance Act of 1961 [22 U.S.C. 2151 et seq.].

(15) Investment treaties

Negotiation of bilateral investment treaties.

(16) Special tax treatment of below-market loans

Exempting bonds from Internal Revenue Code [title 26] rules relating to below-market loans.

(17) Exchange activities

Expanded exchange activities under the Fulbright, International Visitors, and other programs conducted by the United States Information Agency.

(18) Cultural centers

Contributions toward the establishment of reciprocal cultural centers that can facilitate

educational and cultural exchange and expanded understanding of Western social democracy.

(19) Sister institutions

Establishment of sister institution programs between American and East European schools and universities, towns and cities, and other organizations in such fields as medicine and health care, business management, environmental protection, and agriculture.

(20) Scholarships

Scholarships to enable students to study in the United States.

(21) Science and technology exchanges

Grants for the implementation of bilateral agreements providing for cooperation in science and technology exchange.

(22) Assistance for democratic institutions

Assistance designed to support the development of legal, legislative, electoral, journalistic, and other institutions of free, pluralist societies.

(23) Environmental assistance

Environmental assistance directed at overcoming crucial deficiencies in air and water quality and other determinants of a healthful society.

(24) Medical assistance

Medical assistance specifically targeted to overcome severe deficiencies in pharmaceuticals and other basic health supplies.

(25) Encouragement for private investment and voluntary assistance

Encouraging private investment and voluntary private assistance, using a variety of means including a SEED Information Center System and the provision by the Department of Defense of transportation for private non-financial contributions.

(Pub. L. 101-179, § 2, Nov. 28, 1989, 103 Stat. 1299; Pub. L. 102-549, title II, § 202(e), Oct. 28, 1992, 106 Stat. 3658; Pub. L. 105-206, title V, § 5003(b)(6), July 22, 1998, 112 Stat. 790.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 101-179, Nov. 28, 1989, 103 Stat. 1298, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

The Foreign Assistance Act of 1961, referred to in subsec. (c)(14), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended, which is classified principally to chapter 32 (§ 2151 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

AMENDMENTS

1998—Subsec. (c)(11). Pub. L. 105-206 in heading substituted “Normal trade relations” for “Most favored nation trade status” and in text struck out “(commonly referred to as ‘most favored nation status’)” after “nondiscriminatory treatment”.

1992—Subsec. (c)(14). Pub. L. 102-549 substituted “Agency” for “Program”.

SHORT TITLE

Section 1(a) of Pub. L. 101-179 provided that: “This Act [enacting this chapter and section 2185 of this title,

amending sections 2184 and 2199 of this title, section 1757 of Title 12, Banks and Banking, and section 2462 of Title 19, Customs Duties, enacting provisions set out as notes under sections 2185, 2199, and 2421 of this title, section 635 of Title 12, and section 7872 of Title 26, Internal Revenue Code, and amending provisions set out as a note under section 7872 of Title 26] may be cited as the ‘Support for East European Democracy (SEED) Act of 1989’.”

TRANSFER OF FUNCTIONS

United States Information Agency (other than Broadcasting Board of Governors and International Broadcasting Bureau) abolished and functions transferred to Secretary of State, see sections 6531 and 6532 of this title.

EX. ORD. NO. 12703. SUPPORT FOR EAST EUROPEAN DEMOCRACY (SEED) PROGRAM

Ex. Ord. No. 12703, Feb. 20, 1990, 55 F.R. 6351, as amended by Ex. Ord. No. 13118, § 10(2), Mar. 31, 1999, 64 F.R. 16598, provided:

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Support for East European Democracy (SEED) Act (P.L. 101-179, hereinafter referred to as the “Act”) [22 U.S.C. 5401 et seq.] and section 301 of Title 3 of the United States Code, it is hereby ordered as follows:

SECTION 1. *SEED Program Coordinator.* The functions conferred by Title VII of the Act [22 U.S.C. 5471 et seq.] relating to reports to the Congress are hereby delegated to the Coordinator of the SEED Program. The Coordinator is authorized to assign responsibility for particular aspects of the reports to appropriate agencies.

SEC. 2. *Department of State.* The functions conferred upon the President by section 201 of the Act [22 U.S.C. 5421] relating to Enterprise Funds for Poland and Hungary are hereby delegated to the Secretary of State.

SEC. 3. *Department of Commerce.* The functions conferred upon the President by section 602 of the Act [22 U.S.C. 5462] regarding the establishment of a SEED Information Center System in cooperation with the Governments of Poland and Hungary are hereby delegated to the Secretary of Commerce. This authority is to be exercised in consultation with the SEED Program Coordinator and in consultation with other agencies as appropriate.

SEC. 4. *Department of the Treasury.* The functions conferred upon the President by section 104 of the Act [22 U.S.C. 5414] regarding debt reduction of certain East European countries are hereby delegated to the Secretary of the Treasury. The Secretary shall consult, as appropriate, with other relevant agencies in exercising the functions herein delegated.

GEORGE BUSH.

§ 5402. Scope of authority

(a) General authorization

The President is authorized to conduct activities for any East European country that are similar to any activity authorized by this chapter to be conducted in Poland or Hungary (excluding those authorized by section 5412 of this title or the amendments made by sections 301 and 304) if such similar activities would effectively promote a transition to market-oriented democracy.

(b) Administration of justice programs

In order to strengthen the administration of justice in East European countries, the President may exercise the same authorities with respect to those countries as are available under section 2346c of this title, subject to the limita-

tions and requirements of that section, other than subsection (c) and the last two sentences of subsection (e).

(c) “East European country” defined

For purposes of this chapter, the term “East European country” includes Albania, Bulgaria, the Czech and Slovak Federal Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, and states that were part of the former Socialist Federal Republic of Yugoslavia.

(Pub. L. 101-179, §3, as added Pub. L. 102-511, title IX, §903(a), Oct. 24, 1992, 106 Stat. 3355.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (c), was in the original “this Act”, meaning Pub. L. 101-179, Nov. 28, 1989, 103 Stat. 1298, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5401 of this title and Tables.

Sections 301 and 304, referred to in subsec. (a), are sections 301 and 304 of Pub. L. 101-179, title III, Nov. 28, 1989, 103 Stat. 1311, 1312. Section 301 amended section 2462 of Title 19, Customs Duties. Section 304 enacted section 2185 of this title, amended section 2184 of this title, and enacted provisions set out as a note under section 2185 of this title.

SUBCHAPTER I—STRUCTURAL
ADJUSTMENT

§ 5411. Multilateral support for structural adjustment in Poland and Hungary

(a) Multilateral assistance for Poland and Hungary

(1) In general

To the extent that Poland and Hungary continue to evolve toward pluralism and democracy and to develop and implement comprehensive economic reform programs, the United States Government shall take the leadership in mobilizing international financial institutions, in particular the International Monetary Fund and the International Bank for Reconstruction and Development and its affiliated institutions in the World Bank group, to provide timely and appropriate resources to help Poland and Hungary.

(2) World Bank structural adjustment loan for Poland

In furtherance of paragraph (1), the Secretary of the Treasury shall direct the United States Executive Director of the International Bank for Reconstruction and Development to urge expeditious approval and disbursement by the Bank of a structural adjustment loan to Poland in an appropriate amount in time to facilitate the implementation of major economic reforms scheduled for early 1990, including the termination of energy, export, and agricultural subsidies and wage indexation.

(b) Stabilization assistance, debt relief, and agricultural assistance for Poland

To the extent that Poland continues to evolve toward pluralism and democracy and to develop and implement comprehensive economic reform programs, the United States Government shall do the following:

(1) Stabilization assistance

The United States Government, in conjunction with other member governments of the

Organization of Economic Cooperation and Development (OECD) and international financial institutions (including the International Monetary Fund), shall support the implementation of a plan of the Government of Poland to attack hyperinflation and other structural economic problems, address pressing social problems, carry out comprehensive economic reform, and relieve immediate and urgent balance of payments requirements in Poland, through the use of mechanisms such as—

(A) the Exchange Stabilization Fund pursuant to section 5302 of title 31 and in accordance with established Department of the Treasury policies and procedures; and

(B) the authority provided in section 5412(c) of this title.

(2) Debt relief

The United States Government—

(A) shall urge all members of the “Paris Club” of creditor governments and other creditor governments to adopt, and participate in, a generous and early rescheduling program for debts owed by the Government of Poland; and

(B) in coordination with other creditor governments, shall seek to expedite consultations between the Government of Poland and its major private creditors in order to facilitate a rescheduling and reduction of payments due on debt owed to such creditors in a manner consistent with the international debt policy announced by the Secretary of the Treasury on March 10, 1989.

(3) Agricultural assistance

The United States Government shall provide agricultural assistance for Poland in accordance with section 5413 of this title.

(Pub. L. 101-179, title I, §101, Nov. 28, 1989, 103 Stat. 1302.)

§ 5412. Stabilization assistance for Poland

(a) Immediate emergency assistance

To the extent that the ongoing International Monetary Fund review of the Polish economy projects a probable balance of payments shortage for the fourth quarter of 1989, the United States Government, in carrying out paragraph (1) of section 5411(b) of this title—

(1) should work closely with the European Community and international financial institutions to determine the extent of emergency assistance required by Poland for the fourth quarter of 1989, and

(2) should consider extending a bridge loan to relieve immediate and urgent balance of payments requirements using the Exchange Stabilization Fund in accordance with paragraph (1)(A) of section 5411(b) of this title.

(b) Immediate, multilateral response to Poland’s economic stabilization needs

In furtherance of section 5411(b)(1) of this title, the President, acting in coordination with the European Community, should seek to ensure that the industrialized democracies undertake an immediate, multilateral effort to respond to Poland’s request for \$1,000,000,000 to support its economic stabilization program.

(c) Additional authority to provide stabilization assistance

(1) Authority

In order to carry out paragraph (1) of section 5411(b) of this title, the President is authorized to furnish assistance for Poland, notwithstanding any other provision of law, to assist in the urgent stabilization of the Polish economy and ultimately to promote longer-term economic growth and stability, based on movement toward free market principles. Such assistance may be provided for balance of payments support (including commodity import programs), support for private sector development, or for other activities to further efforts to develop a free market-oriented economy in Poland.

(2) Authorization of appropriations

For purposes of providing the assistance authorized by this subsection, there are authorized to be appropriated \$200,000,000 for fiscal year 1990 to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 and following; relating to the economic support fund), in addition to amounts otherwise available for such purposes.

(Pub. L. 101-179, title I, §102, Nov. 28, 1989, 103 Stat. 1303.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (c)(2), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended. Chapter 4 of part II of the Foreign Assistance Act of 1961 is classified to part IV (§2346 et seq.) of subchapter II of chapter 32 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

§ 5413. Agricultural assistance

(a) Agricultural assistance strategy

(1) United States assistance

A principal component of the SEED Program shall be the provision by the United States of food and other agricultural commodities and products to alleviate crucial shortages that may be created in an East European country by the transition from state-directed controls to a free market economy.

(2) Assistance from other countries

In order to ensure the necessary quantity and diversity of agricultural assistance for that purpose, the United States shall take all appropriate steps to encourage parallel efforts by the European Community and other agricultural surplus countries.

(3) Avoiding disincentives to private agricultural production and marketing

In participating in such multilateral agricultural assistance, the United States shall seek to strike a balance wherein agricultural commodities and products are supplied in such quantities as will be effective in overcoming severe shortages and dampening inflation but without impeding the development of incentives for private agricultural production and marketing in the recipient country.

(b) Agricultural assistance for Poland

Pursuant to section 5411(b)(3) of this title, the United States Government—

(1) shall make available to Poland, in coordination with the European Community, United States agricultural assistance—

(A) to alleviate immediate food shortages (such assistance to be specifically targeted toward elements of the Polish population most vulnerable to hunger and malnutrition, in particular the infirm, the elderly, and children), and

(B) to facilitate the transition from state-directed controls to a free market economy, while avoiding disincentives to domestic agricultural production and reform; and

(2) in order to ensure the necessary quantity and diversity of such agricultural assistance, shall take all appropriate steps to encourage parallel efforts by the European Community and other agricultural surplus countries.

(c) FY 1990 minimum level of agricultural assistance for Poland

In carrying out subsection (b) of this section, the level of assistance for Poland for fiscal year 1990 under section 1431(b) of title 7, the Food for Peace Act (7 U.S.C. 1691 and following), and section 1736 of title 7 should not be less than \$125,000,000. Such assistance—

(1) to the maximum extent practicable, shall be provided through nongovernmental organizations; and

(2) shall emphasize feed grains.

(d) Consistency with budget requirements

Subsection (c) of this section should not be construed to authorize or require any budgetary obligations or outlays that are inconsistent with House Concurrent Resolution 106 of the 101st Congress (setting forth the congressional budget for the United States Government for fiscal year 1990).

(Pub. L. 101-179, title I, §103, Nov. 28, 1989, 103 Stat. 1303; Pub. L. 110-246, title III, §3001(b)(1)(A), (2)(U), June 18, 2008, 122 Stat. 1820, 1821.)

REFERENCES IN TEXT

The Food for Peace Act, referred to in subsec. (c), is act July 10, 1954, ch. 469, 68 Stat. 454, which is classified generally to chapter 41 (§1691 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1691 of Title 7 and Tables.

House Concurrent Resolution 106 of the 101st Congress, referred to in subsec. (d), is H. Con. Res. 106, May 18, 1989, 103 Stat. 2450, which is not classified to the Code.

AMENDMENTS

2008—Subsec. (c). Pub. L. 110-246 substituted “Food for Peace Act” for “Agricultural Trade Development and Assistance Act of 1954” in introductory provisions.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110-246 effective May 22, 2008, see section 4(b) of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

§ 5414. Debt-for-equity swaps and other special techniques

(a) Reduction of debt burden

The President shall take all appropriate actions to explore and encourage innovative ap-

proaches to the reduction of the government-to-government and commercial debt burden of East European countries which have taken substantive steps toward political democracy and economic pluralism.

(b) Authority for discounted sales of debt

Notwithstanding any other provision of law, the President may undertake the discounted sale, to private purchasers, of United States Government debt obligations of an East European country which has taken substantive steps toward political democracy and economic pluralism, subject to subsection (c) of this section.

(c) Condition

An obligation may be sold under subsection (b) of this section only if the sale will facilitate so-called debt-for-equity or debt-for-development swaps wherein such newly privatized debt is exchanged by the new holder of the obligation for—

(1) local currencies, policy commitments, or other assets needed for development or other economic activities, or

(2) for an equity interest in an enterprise theretofore owned by the particular East European government.

(Pub. L. 101-179, title I, §104, Nov. 28, 1989, 103 Stat. 1304.)

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Secretary of the Treasury by section 4 of Ex. Ord. No. 12703, Feb. 20, 1990, 55 F.R. 6351, set out as a note under section 5401 of this title.

SUBCHAPTER II—PRIVATE SECTOR
DEVELOPMENT

§ 5421. Enterprise Funds for Poland and Hungary

(a) Purposes

The purposes of this section are to promote—

(1) development of the Polish and Hungarian private sectors, including small businesses, the agricultural sector, and joint ventures with United States and host country participants, and

(2) policies and practices conducive to private sector development in Poland and Hungary,

through loans, grants, equity investments, feasibility studies, technical assistance, training, insurance, guarantees, and other measures.

(b) Authorization of appropriations

To carry out the purposes specified in subsection (a) of this section, there are authorized to be appropriated to the President—

(1) \$240,000,000 to support the Polish-American Enterprise Fund; and

(2) \$60,000,000 to support the Hungarian-American Enterprise Fund.

Such amounts are authorized to be made available until expended.

(c) Nonapplicability of other laws

The funds appropriated under subsection (b) of this section may be made available to the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund and used for the

purposes of this section notwithstanding any other provision of law.

(d) Designation of Enterprise Funds

(1) Designation

The President is authorized to designate two private, nonprofit organizations as eligible to receive funds and support pursuant to this section upon determining that such organizations have been established for the purposes specified in subsection (a) of this section. For purposes of this chapter, the organizations so designated shall be referred to as the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund (hereinafter in this section referred to as the “Enterprise Funds”).

(2) Consultation with Congress

The President shall consult with the leadership of each House of Congress before designating an organization pursuant to paragraph (1).

(3) Board of Directors

(A) Each Enterprise Fund shall be governed by a Board of Directors comprised of private citizens of the United States, and citizens of the respective host country, who have demonstrated experience and expertise in those areas of private sector development in which the Enterprise Fund is involved.

(B) A majority of the members of the Board of Directors of each Enterprise Fund shall be United States citizens.¹ *Provided*, That, as to Enterprise Funds established with respect to more than one host country, such Enterprise Fund may, in lieu of the appointment of citizens of the host countries to its Board of Directors, establish an advisory council for the host region comprised of citizens of each of the host countries or establish separate advisory councils for each of the host countries (hereinafter in this section referred to as the “Advisory Councils”), with which the Enterprise Fund’s policies and proposed activities and such host country citizens shall satisfy the experience and expertise requirements of this clause.

(C) A host country citizen who is not committed to respect for democracy and a free market economy may not serve as a member of the Board of Directors of an Enterprise Fund.

(4) Eligibility of Enterprise Funds for grants

Grants may be made to an Enterprise Fund under this section only if the Enterprise Fund agrees to comply with the requirements specified in this section.

(5) Private character of Enterprise Funds

Nothing in this section shall be construed to make an Enterprise Fund an agency or establishment of the United States Government, or to make the officers, employees, or members of the Board of Directors of an Enterprise Fund officers or employees of the United States for purposes of title 5.

(e) Grants to Enterprise Funds

Funds appropriated to the President pursuant to subsection (b) of this section shall be granted

¹ So in original.

to the Enterprise Funds by the Agency for International Development to enable the Enterprise Funds to carry out the purposes specified in subsection (a) of this section and for the administrative expenses of each Enterprise Fund.

(f) Eligible programs and projects

(1) In general

The Enterprise Funds may provide assistance pursuant to this section only for programs and projects which are consistent with the purposes set forth in subsection (a) of this section.

(2) Employee stock ownership plans

Funds available to the Enterprise Funds may be used to encourage the establishment of Employee Stock Ownership Plans (ESOPs) in Poland and Hungary.

(3) Indigenous credit unions

Funds available to the Enterprise Funds may be used for technical and other assistance to support the development of indigenous credit unions in Poland and Hungary. As used in this paragraph, the term “credit union” means a member-owned, nonprofit, cooperative depository institution—

(A) which is formed to permit individuals in the field of membership specified in such institution’s charter to pool their savings, lend the savings to one another, and own the organization where they save, borrow, and obtain related financial services; and

(B) whose members are united by a common bond and democratically operate the institution.

(4) Telecommunications modernization in Poland

The Polish-American Enterprise Fund may use up to \$25,000,000 for grants for projects providing for the early introduction in Poland of modern telephone systems and telecommunications technology, which are crucial in establishing the conditions for successful transition to political democracy and economic pluralism.

(5) Economic foundation of NSZZ Solidarność

Funds available to the Polish-American Enterprise Fund may be used to support the Economic Foundation of NSZZ Solidarność.

(g) Matters to be considered by Enterprise Funds

In carrying out this section, each Enterprise Fund shall take into account such considerations as internationally recognized worker rights and other internationally recognized human rights, environmental factors, United States economic and employment effects, and the likelihood of commercial viability of the activity receiving assistance from the Enterprise Fund.

(h) Retention of interest

An Enterprise Fund may hold funds granted to it pursuant to this section in interest-bearing accounts, prior to the disbursement of such funds for purposes specified in subsection (a) of this section, and may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury

of the United States and without further appropriation by the Congress.

(i) Use of United States private venture capital

In order to maximize the effectiveness of the activities of the Enterprise Funds, each Enterprise Fund may conduct public offerings or private placements for the purpose of soliciting and accepting United States venture capital which may be used, separately or together with funds made available pursuant to this section, for any lawful investment purpose that the Board of Directors of the Enterprise Fund may determine in carrying out this section. Financial returns on Enterprise Fund investments that include a component of private venture capital may be distributed, at such times and in such amounts as the Board of Directors of the Enterprise Fund may determine, to the investors of such capital.

(j) Financial instruments for individual investment in Poland

In order to maximize the effectiveness of the activities of the Polish-American Enterprise Fund, that Enterprise Fund should undertake all possible efforts to establish financial instruments that will enable individuals to invest in the private sectors of Poland and that will thereby have the effect of multiplying the impact of United States grants to that Enterprise Fund.

(k) Nonapplicability of other laws

Executive branch agencies may conduct programs and activities and provide services in support of the activities of the Enterprise Funds notwithstanding any other provision of law.

(l) Limitation on payments to Enterprise Fund personnel

(1) No part of the funds of an Enterprise Fund shall inure to the benefit of any board member, officer, or employee of such Enterprise Fund, except as salary or reasonable compensation for services subject to paragraph (2).

(2) An Enterprise Fund shall not pay compensation for services to—

(A) any board member of the Enterprise Fund, except for services as a board member; or

(B) any firm, association, or entity in which a board member of the Enterprise Fund serves as partner, director, officer, or employee.

(3) Nothing in paragraph (2) shall preclude payment for services performed before the date of enactment of this subsection nor for arrangements approved by the grantor and notified in writing to the Committees on Appropriations.

(m) Independent private audits

The accounts of each Enterprise Fund shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The report of each such independent audit shall be included in the annual report required by this section.

(n) GAO audits

The financial transactions undertaken pursuant to this section by each Enterprise Fund may

be audited by the Government Accountability Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States, so long as the Enterprise Fund is in receipt of United States Government grants.

(o) Recordkeeping requirements

The Enterprise Funds shall ensure—

(1) that each recipient of assistance provided through the Enterprise Funds under this section keeps—

(A) separate accounts with respect to such assistance;

(B) such records as may be reasonably necessary to disclose fully the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources; and

(C) such other records as will facilitate an effective audit; and

(2) that the Enterprise Funds, or any of their duly authorized representatives, have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance provided through the Enterprise Funds under this section.

(p) Annual reports

Each Enterprise Fund shall publish an annual report, which shall include a comprehensive and detailed description of the Enterprise Fund's operations, activities, financial condition, and accomplishments under this section for the preceding fiscal year. This report shall be published not later than January 31 each year, beginning in 1991.

(Pub. L. 101-179, title II, § 201, Nov. 28, 1989, 103 Stat. 1305; Pub. L. 104-107, title II, [(v)], Feb. 12, 1996, 110 Stat. 714; Pub. L. 105-118, title V, § 588, Nov. 26, 1997, 111 Stat. 2438; Pub. L. 108-271, § 8(b), July 7, 2004, 118 Stat. 814.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (d)(1), was in the original “this Act”, meaning Pub. L. 101-179, Nov. 28, 1989, 103 Stat. 1298, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5401 of this title and Tables.

The date of enactment of this subsection, referred to in subsec. (l)(3), probably means the date of enactment of Pub. L. 105-118 which amended subsec. (l) generally and was approved Nov. 26, 1997.

AMENDMENTS

2004—Subsec. (n). Pub. L. 108-271 substituted “Government Accountability Office” for “General Accounting Office”.

1997—Subsec. (l). Pub. L. 105-118, which directed the general amendment of section 201(l) of the Support for East European Democracy Act, was executed by amending heading and text of section 201(l) of the Support for East European Democracy (SEED) Act of 1989, subsec. (l) of this section, generally, to reflect the probable intent of Congress. Prior to amendment, text read as follows: “No part of the funds of either Enterprise

Fund shall inure to the benefit of any board member, officer, or employee of such Enterprise Fund, except as salary or reasonable compensation for services.”

1996—Subsec. (d)(3)(B). Pub. L. 104-107 inserted at end “: *Provided*, That, as to Enterprise Funds established with respect to more than one host country, such Enterprise Fund may, in lieu of the appointment of citizens of the host countries to its Board of Directors, establish an advisory council for the host region comprised of citizens of each of the host countries or establish separate advisory councils for each of the host countries (hereinafter in this section referred to as the ‘Advisory Councils’), with which the Enterprise Fund’s policies and proposed activities and such host country citizens shall satisfy the experience and expertise requirements of this clause.”

DELEGATION OF FUNCTIONS

Functions of President under this section relating to Enterprise Funds for Poland and Hungary delegated to Secretary of State by section 2 of Ex. Ord. No. 12703, Feb. 20, 1990, 55 F.R. 6351, as amended, set out as a note under section 5401 of this title.

§ 5422. Labor market transition in Poland and Hungary

(a) Technical assistance

The Secretary of Labor (hereinafter in this section referred to as the “Secretary”), in consultation with representatives of labor and business in the United States, shall—

(1) provide technical assistance to Poland and Hungary for the implementation of labor market reforms; and

(2) provide technical assistance to Poland and Hungary to facilitate adjustment during the period of economic transition and reform.

(b) Types of technical assistance authorized

In carrying out subsection (a) of this section, the Secretary is authorized to provide technical assistance regarding policies and programs for training and retraining, job search and employment services, unemployment insurance, occupational safety and health protection, labor-management relations, labor statistics, analysis of productivity constraints, entrepreneurial support for small businesses, market-driven systems of wage and income determinations, job creation, employment security, the observance of internationally recognized worker rights (including freedom of association and the right to organize and bargain collectively), and other matters that the Secretary may deem appropriate regarding free labor markets and labor organizations.

(c) Administrative authorities

In carrying out subsection (a) of this section, the Secretary is authorized to do the following:

(1) Solicit and accept in the name of the Department of Labor, and employ or dispose of in furtherance of the purposes of this section, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise. Gifts and donations of property which are no longer required for the discharge of the purposes of this section shall be reported to the Administrator of General Services for transfer, donation, or other disposal in accordance with chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41.

(2) Solicit and accept voluntary and uncompensated services notwithstanding section 1342 of title 31. A volunteer under this paragraph shall not be deemed to be an employee of the United States except for the purposes of—

(A) the tort claims provisions of title 28, and

(B) subchapter I of chapter 81 of title 5, relating to compensation for work injuries.

(3) Enter into arrangements or agreements with appropriate departments, agencies, and establishments of Poland and Hungary.

(4) Enter into arrangements or agreements with appropriate private and public sector United States parties, and international organizations.

(d) Consultation with appropriate officers

In carrying out the responsibilities established by this section, the Secretary shall seek information and advice from, and consult with, appropriate officers of the United States.

(e) Consultation with labor and business representatives

For purposes of this section, consultation between the Secretary and United States labor and business representatives shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(f) Delegation of responsibilities

The Secretary shall delegate the authority to carry out the programs authorized by this section to the head of the Bureau of International Labor Affairs of the Department of Labor.

(g) Authorization of appropriations

There are authorized to be appropriated to the Department of Labor for the 3-year period beginning October 1, 1989, to carry out this section—

(1) \$4,000,000 for technical assistance to Poland; and

(2) \$1,000,000 for technical assistance to Hungary.

(Pub. L. 101-179, title II, § 202, Nov. 28, 1989, 103 Stat. 1308.)

REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (e), is Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION

In subsec. (c)(1), “chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41” substituted for “the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 and following)” on authority of Pub. L. 107-217, § 5(c), Aug. 21, 2002, 116 Stat. 1303, which Act enacted Title 40, Public Buildings, Property, and Works, and Pub. L. 111-350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

§ 5423. Technical training for private sector development in Poland and Hungary

(a) Technical training program

The Agency for International Development shall develop and implement a program for extending basic agribusiness, commercial, entrepreneurial, financial, scientific, and technical

skills to the people of Poland and Hungary to enable them to better meet their needs and develop a market economy. This program shall include management training and agricultural extension activities.

(b) Participation by Enterprise Funds and other agencies and organizations

In carrying out subsection (a) of this section, the Agency for International Development may utilize the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund and other appropriate Government and private agencies, programs, and organizations such as—

(1) the Department of Agriculture;

(2) the Farmer-to-Farmer Program under section 1736(a)(1) and (2) of title 7;

(3) the International Executive Service Corps;

(4) the Foundation for the Development of Polish Agriculture;

(5) the World Council of Credit Unions; and

(6) other United States, Polish, and Hungarian private and voluntary organizations and private sector entities.

(c) Nonapplicability of other provisions of law

Assistance provided pursuant to subsection (a) of this section under the authorities of part I of the Foreign Assistance Act of 1961 [22 U.S.C. 2151 et seq.] may be provided notwithstanding any other provision of law.

(d) Authorization of appropriations

For purposes of implementing this section, there are authorized to be appropriated \$10,000,000 for the 3-year period beginning October 1, 1989, to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 and following; relating to development assistance), in addition to amounts otherwise available for such purposes.

(e) Limitation with respect to Farmer-to-Farmer Program

Any activities carried out pursuant to this chapter through the Farmer-to-Farmer Program under section 1736(a)(1) and (2) of title 7 shall be funded with funds authorized to be appropriated by this chapter and local currencies made available under section 5425 of this title, and shall not be funded with funds made available pursuant to section 1107 of the Food Security Act of 1985 (7 U.S.C. 1736 note) or a similar, subsequent provision of law.

(Pub. L. 101-179, title II, § 203, Nov. 28, 1989, 103 Stat. 1309; Pub. L. 110-246, title III, § 3001(b)(1)(A), (2)(U), June 18, 2008, 122 Stat. 1820, 1821.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsecs. (c) and (d), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424. Part I of the Foreign Assistance Act of 1961 is classified generally to subchapter I (§ 2151 et seq.) of chapter 32 of this title. Chapter 1 of part I of the Foreign Assistance Act of 1961 is classified generally to part I (§ 2151 et seq.) of subchapter I of chapter 32 of this title. For provisions deeming references to subchapter I to include parts IV (§ 2346 et seq.), VI (§ 2348 et seq.), and VIII (§ 2349aa et seq.) of subchapter II of chapter 32, see section 202(b) of Pub. L. 92-226, set out as a note under section 2346 of this title, and sections 2348c and 2349aa-5

of this title. For provisions deeming references to part I of subchapter I to include a reference to section 2293 of this title, see section 2293(d)(1) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

Section 1107 of the Food Security Act of 1985, referred to in subsec. (e), is section 1107 of Pub. L. 99-198, which is set out as a note under section 1736 of Title 7, Agriculture.

AMENDMENTS

2008—Subsecs. (b)(2), (e). Pub. L. 110-246 made technical amendment to reference in original act which appears in text as reference to section 1736(a)(1) and (2) of title 7.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110-246 effective May 22, 2008, see section 4(b) of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

§ 5424. Peace Corps programs in Poland and Hungary

There are authorized to be appropriated to carry out programs in Poland and Hungary under the Peace Corps Act [22 U.S.C. 2501 et seq.], \$6,000,000 for the 3-year period beginning October 1, 1989, in addition to amounts otherwise available for such purposes. Such programs shall include the use of Peace Corps volunteers—

- (1) to provide English language training, and
- (2) to extend the technical skills described in section 5423(a) of this title to the people of Poland and Hungary, using the Associate Volunteer Program to the extent practicable.

(Pub. L. 101-179, title II, § 204, Nov. 28, 1989, 103 Stat. 1310.)

REFERENCES IN TEXT

The Peace Corps Act, referred to in text, is Pub. L. 87-293, Sept. 22, 1961, 75 Stat. 612, as amended, which is classified principally to chapter 34 (§ 2501 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2501 of this title and Tables.

§ 5425. Use of Polish currency generated by agricultural assistance

(a) Additional assistance for Poland

A portion of the agricultural commodities described in subsection (c) of this section may be made available and sold or bartered in Poland to generate local currencies to be used—

- (1) to complement the assistance for Poland authorized by sections 5413(b), 5421, and 5423 of this title, and
- (2) to support the activities of the joint commission established pursuant to section 2226 of the American Aid to Poland Act of 1988 (7 U.S.C. 1431 note),

notwithstanding section 1431(b)(7) of title 7 or any other provision of law.

(b) Emphasis on agricultural development

The uses of local currencies generated under this section should emphasize the development of agricultural infrastructure, agriculture-related training, and other aspects of agricultural development in Poland.

(c) Commodities subject to requirements

Subsection (a) of this section applies with respect to agricultural commodities made avail-

able for Poland for fiscal years 1990, 1991, and 1992 under section 1431(b) of title 7, the Food for Peace Act (7 U.S.C. 1691 and following), and section 1736o of title 7.

(d) Other uses not precluded

The uses of agricultural commodities and local currencies specified in subsection (a) of this section are in addition to other uses authorized by law.

(Pub. L. 101-179, title II, § 205, Nov. 28, 1989, 103 Stat. 1310; Pub. L. 110-246, title III, § 3001(b)(1)(A), (2)(U), June 18, 2008, 122 Stat. 1820, 1821.)

REFERENCES IN TEXT

Section 2226 of the American Aid to Poland Act of 1988, referred to in subsec. (a)(2), is section 2226 of Pub. L. 100-418, which is set out as a note under section 1431 of Title 7, Agriculture.

The Food for Peace Act, referred to in subsec. (c), is act July 10, 1954, ch. 469, 68 Stat. 454, which is classified generally to chapter 41 (§ 1691 et seq.) of Title 7. For complete classification of this Act to the Code, see Short Title note set out under section 1691 of Title 7 and Tables.

AMENDMENTS

2008—Subsec. (c). Pub. L. 110-246 substituted “Food for Peace Act” for “Agricultural Trade Development and Assistance Act of 1954”.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110-246 effective May 22, 2008, see section 4(b) of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

§ 5426. United States policy of private financial support for Polish and Hungarian credit unions

(a) In general

In order to facilitate the development of indigenous credit unions in Poland and Hungary, it is the policy of the United States that—

- (1) United States citizens, financial institutions (other than federally insured depository institutions), and other persons may make contributions and loans to, make capital deposits in, and provide other forms of financial and technical assistance to credit unions in Poland and Hungary; and

- (2) federally insured depository institutions may provide technical assistance to credit unions in Poland and Hungary, to the extent that the provision of such assistance is prudent and not inconsistent with safe and sound banking practice.

(b) Omitted

(c) Definitions

For purposes of subsection (a) of this section—

- (1) the term “credit union” means a member-owned, nonprofit, cooperative depository institution—

(A) which is formed to permit individuals in the field of membership specified in such institution’s charter to pool their savings, lend the savings to one another, and own the organization where they save, borrow, and obtain related financial services; and

(B) whose members are united by a common bond and democratically operate the institution; and

(2) the term “federally insured depository institution” means—

(A) any insured depository institution (as defined in section 1813(c)(2) of title 12); and

(B) any insured credit union (as defined in section 1752(7) of title 12).

(Pub. L. 101-179, title II, § 206, Nov. 28, 1989, 103 Stat. 1310.)

CODIFICATION

Section is comprised of section 206 of Pub. L. 101-179. Subsec. (b) of section 206 of Pub. L. 101-179 amended section 1757 of Title 12, Banks and Banking.

SUBCHAPTER III—EDUCATIONAL, CULTURAL, AND SCIENTIFIC ACTIVITIES

§ 5441. Educational and cultural exchanges and sister institutions programs with Poland and Hungary

(a) Educational and cultural exchanges

(1) Support for expanded U.S. participation

The United States should expand its participation in educational and cultural exchange activities with Poland and Hungary, using the full array of existing government-funded and privately-funded programs, with particular emphasis on the J. William Fulbright Educational Exchange Program, the International Visitors Program, the Samantha Smith Memorial Exchange Program, the exchange programs of the National Academy of Sciences, youth and student exchanges through such private organizations as The Experiment in International Living, The American Field Service Committee, and Youth for Understanding, and research exchanges sponsored by the International Research and Exchanges Board (IREX).

(2) Emphasis on skills in business and economics

The United States should place particular emphasis on expanding its participation in educational exchange activities that will assist in developing the skills in business and economics that are necessary for the development of a free market economy in Poland and Hungary.

(b) Binational Fulbright commissions

The United States should take all appropriate action to establish binational Fulbright commissions with Poland and Hungary in order to facilitate and enhance academic and scholarly exchanges with those countries.

(c) Reciprocal cultural centers

The President should consider the establishment of reciprocal cultural centers in Poland and the United States and in Hungary and the United States to facilitate government-funded and privately-funded cultural exchanges.

(d) Sister institutions programs

The President shall act to encourage the establishment of “sister institution” programs between American and Polish organizations and between American and Hungarian organizations, including such organizations as institutions of higher education, cities and towns, and organi-

zations in such fields as medicine and health care, business management, environmental protection, and agricultural research and marketing.

(e) Authorization of appropriations

To enable the United States Information Agency to support the activities described in this section, there are authorized to be appropriated \$12,000,000 for the 3-year period beginning October 1, 1989, in addition to amounts otherwise available for such purposes.

(Pub. L. 101-179, title IV, § 401, Nov. 28, 1989, 103 Stat. 1314.)

TRANSFER OF FUNCTIONS

United States Information Agency (other than Broadcasting Board of Governors and International Broadcasting Bureau) abolished and functions transferred to Secretary of State, see sections 6531 and 6532 of this title.

§ 5442. Poland-Hungary scholarship partnership

(a) Establishment of scholarship program

The Administrator of the Agency for International Development is authorized to establish and administer a program of scholarship assistance, in cooperation with State governments, universities, community colleges, and businesses, to provide scholarships to enable students from Poland and Hungary to study in the United States.

(b) Emphasis on business and economics

The scholarship program provided for in this section shall emphasize scholarships to enable students from Poland and Hungary to study business and economics in the United States. Such scholarships may be provided for study in programs that range from the standard management courses to more specialized assistance in commercial banking and the creation of a stock market.

(c) Grants to States

In carrying out this section, the Administrator may make grants to States to provide scholarship assistance for undergraduate or graduate degree programs, and training programs of one year or longer, in study areas related to the critical development needs of Poland and Hungary.

(d) Consultation with States

The Administrator shall consult with the participating States with regard to the educational opportunities available within each State and on the assignment of scholarship recipients.

(e) Federal share

The Federal share for each year for which a State receives payments under this section shall not be more than 50 percent.

(f) Non-Federal share

The non-Federal share of payments under this section may be in cash, including the waiver of tuition or the offering of in-State tuition or housing waivers or subsidies, or in-kind fairly evaluated, including the provision of books or supplies.

(g) Forgiveness of scholarship assistance

The obligation of any recipient to reimburse any entity for any or all scholarship assistance

provided under this section shall be forgiven upon the recipient's prompt return to Poland or Hungary, as the case may be, for a period which is at least one year longer than the period spent studying in the United States with scholarship assistance.

(h) Private sector participation

To the maximum extent practicable, each participating State shall enlist the assistance of the private sector to enable the State to meet the non-Federal share of payments under this section. Wherever appropriate, each participating State shall encourage the private sector to offer internships or other opportunities consistent with the purposes of this section to students receiving scholarships under this section.

(i) Funding

Grants to States pursuant to this section shall be made with funds made available to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 and following; relating to development assistance) or chapter 4 of part II of that Act (22 U.S.C. 2346 and following; relating to the economic support fund). In addition to amounts otherwise available for such purpose under those chapters, there are authorized to be appropriated \$10,000,000 for the 3-year period beginning October 1, 1989, for use in carrying out this section.

(j) Restrictions not applicable

Prohibitions on the use of foreign assistance funds for assistance for Poland and Hungary shall not apply with respect to the funds made available to carry out this section.

(k) "State" defined

As used in this section, the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

(Pub. L. 101-179, title IV, § 402, Nov. 28, 1989, 103 Stat. 1315.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (i), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended. Chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 are classified generally to part I (§2151 et seq.) of subchapter I and part IV (§2346 et seq.) of subchapter II, respectively, of chapter 32 of this title. For provisions deeming references to part I of subchapter I to include a reference to section 2293 of this title, see section 2293(d)(1) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

§ 5443. Science and technology exchange with Poland and Hungary

(a) Agreement with Poland

There are authorized to be appropriated to the Secretary of State for purposes of continuing to

implement the 1987 United States-Polish science and technology agreement—

- (1) \$1,500,000 for fiscal year 1990,
- (2) \$2,000,000 for fiscal year 1991, and
- (3) \$2,000,000 for fiscal year 1992.

(b) Agreement with Hungary

There are authorized to be appropriated to the Secretary of State for purposes of implementing the 1989 United States-Hungarian science and technology agreement—

- (1) \$500,000 for fiscal year 1990,
- (2) \$1,000,000 for fiscal year 1991, and
- (3) \$1,000,000 for fiscal year 1992.

(c) Definition of agreements being funded

For purposes of this section—

(1) the term "1987 United States-Polish science and technology agreement" refers to the agreement concluded in 1987 by the United States and Poland, entitled "Agreement Between the Government of the United States of America and the Polish People's Republic on Cooperation in Science and Technology and Its Funding", together with annexes relating thereto; and

(2) the term "1989 United States-Hungarian science and technology agreement" refers to the agreement concluded in 1989 by the United States and Hungary, entitled "Agreement Between the Government of the United States of America and the Government of the Hungarian People's Republic for Scientific and Technology Cooperation", together with annexes relating thereto.

(Pub. L. 101-179, title IV, § 403, Nov. 28, 1989, 103 Stat. 1316.)

SUBCHAPTER IV—OTHER ASSISTANCE PROGRAMS

§ 5451. Assistance in support of democratic institutions in Poland and Hungary

(a) Authorization of assistance

In addition to amounts otherwise available for such purposes, there are authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 and following; relating to the economic support fund) \$12,000,000 for the 3-year period beginning October 1, 1989, which shall be available only for the support of democratic institutions and activities in Poland and Hungary.

(b) Nonapplicability of other laws

Assistance may be provided under this section notwithstanding any other provision of law.

(Pub. L. 101-179, title V, § 501, Nov. 28, 1989, 103 Stat. 1317.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (a), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended. Chapter 4 of part II of the Foreign Assistance Act of 1961 is classified to part IV (§2346 et seq.) of subchapter II of chapter 32 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

§ 5452. Environmental initiatives for Poland and Hungary

(a) Priority for control of pollution

The Congress recognizes the severe pollution problems affecting Poland and Hungary and the

serious health problems which ensue from such pollution. The Congress therefore directs that a high priority be given in the implementation of assistance to Poland and Hungary to the control of pollution and the restoration of the natural resource base on which a sustainable, healthy economy depends.

(b) EPA activities generally

In addition to specific authorities contained in any of the environmental statutes administered by the Environmental Protection Agency, the Administrator of that Agency (hereinafter in this section referred to as the “Administrator”) is authorized to undertake such educational, policy training, research, and technical and financial assistance, monitoring, coordinating, and other activities as the Administrator may deem appropriate, either alone or in cooperation with other United States or foreign agencies, governments, or public or private institutions, in protecting the environment in Poland and Hungary.

(c) EPA activities in Poland

The Administrator shall cooperate with Polish officials and experts to—

(1) establish an air quality monitoring network in the Krakow metropolitan area as a part of Poland’s national air monitoring network; and

(2) improve both water quality and the availability of drinking water in the Krakow metropolitan area.

(d) EPA activities in Hungary

The Administrator shall work with other United States and Hungarian officials and private parties to establish and support a regional center in Budapest for facilitating cooperative environmental activities between governmental experts and public and private organizations from the United States and Eastern and Western Europe.

(e) Funding of EPA activities

To enable the Environmental Protection Agency to carry out subsections (b), (c), and (d) of this section, there are authorized to be appropriated \$10,000,000 for the 3-year period beginning October 1, 1989, to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 and following; relating to development assistance) or chapter 4 of Part¹ II of that Act (22 U.S.C. 2346 and following; relating to the economic support fund). These funds may be used to carry out those subsections notwithstanding any provision of law relating to the use of foreign assistance funds.

(f) Department of Energy activities relating to fossil fuels

(1) Clean coal

The Secretary of Energy shall cooperate with Polish officials and experts to retrofit a coal-fired commercial powerplant in the Krakow, Poland, region with advanced clean coal technology that has been successfully demonstrated at a comparably scaled powerplant in the United States. Such retrofit shall

be carried out by one or more United States companies using United States technology and equipment manufactured in the United States. The Secretary may vest title in any property acquired under this paragraph in an entity other than the United States.

(2) Equipment assessment

The Secretary of Energy shall cooperate with Polish officials and experts and companies within the United States to assess and develop the capability within Poland to manufacture or modify boilers, furnaces, smelters, or other equipment that will enable industrial facilities within Poland to use fossil fuels cleanly. The Secretary may vest title in any property acquired under this paragraph in an entity other than the United States.

(3) Authorization of appropriations

To carry out paragraphs (1) and (2) of this subsection, there are authorized to be appropriated \$30,000,000 for the 3-year period beginning October 1, 1989. Not more than \$10,000,000 of the funds appropriated under this paragraph may be used to carry out the requirements of paragraph (1).

(g) Priority for efficient energy use

In view of the high energy usage per unit of output in Hungary and Poland, the Secretary of Energy shall give high priority to assisting officials of Poland and Hungary in improving the efficiency of their energy use, through emphasis on such measures as efficient motors, lights, gears, and appliances and improvements in building insulation and design.

(h) Alternative investments in energy in Hungary

It is the sense of the Congress that the Executive branch should work with the Government of Hungary to achieve environmentally safe alternative investments in energy efficiency, particularly with regard to projects along the Danube River.

(Pub. L. 101-179, title V, § 502, Nov. 28, 1989, 103 Stat. 1317.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (e), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended. Chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 are classified generally to part I (§ 2151 et seq.) of subchapter I and part IV (§ 2346 et seq.) of subchapter II, respectively, of chapter 32 of this title. For provisions deeming references to part I of subchapter I to include a reference to section 2293 of this title, see section 2293(d)(1) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

§ 5453. Medical supplies, hospital equipment, and medical training for Poland

(a) Authorization of assistance

In addition to amounts otherwise available for such purposes, there are authorized to be appropriated to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 and following; relating to the economic support fund) \$4,000,000 for the 3-year period beginning October 1, 1989, which shall be available only—

¹ So in original. Probably should not be capitalized.

(1) for providing medical supplies and hospital equipment to Poland through private and voluntary organizations, including for the expenses of purchasing, transporting, and distributing such supplies and equipment, and

(2) for training of Polish medical personnel.

(b) Nonapplicability of other laws

Assistance may be provided under this section notwithstanding any other provision of law, other than—

(1) section 104(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(f); relating to the prohibition on the use of funds for abortions and involuntary sterilizations), and

(2) any provision of the annual Foreign Operations, Export Financing, and Related Programs Appropriations Act that relates to abortion.

(Pub. L. 101–179, title V, § 503, Nov. 28, 1989, 103 Stat. 1318.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsection (a), is Pub. L. 87–195, Sept. 4, 1961, 75 Stat. 424, as amended. Chapter 4 of part II of the Foreign Assistance Act of 1961 is classified to part IV (§ 2346 et seq.) of subchapter II of chapter 32 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

The Foreign Operations, Export Financing, and Related Programs Appropriations Act, referred to in subsection (b)(2), is for fiscal year 1990, Pub. L. 101–167, Nov. 21, 1989, 103 Stat. 1195. For complete classification of this and other Foreign Operations, Export Financing, and Related Programs Appropriations Acts to the Code, see Tables.

SUBCHAPTER V—ADDITIONAL SEED PROGRAM ACTIONS

§ 5461. Policy coordination of SEED Program

The President shall designate, within the Department of State, a SEED Program coordinator who shall be directly responsible for overseeing and coordinating all programs described in this chapter and all other activities that the United States Government conducts in furtherance of the purposes of this chapter.

(Pub. L. 101–179, title VI, § 601, Nov. 28, 1989, 103 Stat. 1319.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101–179, Nov. 28, 1989, 103 Stat. 1298, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5401 of this title and Tables.

§ 5462. SEED Information Center System

(a) Establishment

The President shall establish a SEED Information Center System, using existing Executive branch agencies and acting in cooperation with the Government of Poland and the Government of Hungary.

(b) Functions

(1) In general

The SEED Information Center System shall serve as a central clearinghouse mechanism for information relating to—

(A) business needs and opportunities in Eastern Europe, and

(B) voluntary assistance to countries in Eastern Europe.

(2) Private enterprise development

The SEED Information Center System shall be organized, among other purposes, to encourage—

(A) the submission of economically sound proposals to the Polish-American Enterprise Fund and Hungarian-American Enterprise Fund, and

(B) other sources of finance for the development of private enterprise in Eastern Europe.

(c) Location

The SEED Information Center System shall be based jointly in Washington, District of Columbia; Warsaw, Poland; and Budapest, Hungary; and should it become appropriate, the capitals of other East European countries.

(Pub. L. 101–179, title VI, § 602, Nov. 28, 1989, 103 Stat. 1319.)

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Secretary of Commerce by section 3 of Ex. Ord. No. 12703, Feb. 20, 1990, 55 F.R. 6351, set out as a note under section 5401 of this title.

§ 5463. Encouraging voluntary assistance for Poland and Hungary

(a) Encouraging private contributions

It is the sense of the Congress that the President should take all possible steps to encourage across the Nation a massive outpouring of private contributions of money and nonperishable foods, to be collected by civic, religious, school, and youth organizations, for assistance to Poland and to refugees from Romania who are in Hungary.

(b) Transportation to Poland of private contributions

In further¹ of subsection (a) of this section, the President—

(1) using all available authorities, including section 402 of title 10 (relating to transportation of humanitarian relief supplies), should use resources of the Department of Defense (including the National Guard) to transport nonfinancial private contributions to Poland;²

(2) should request additional authorities as needed for the use of those resources for that purpose; and

(3) should encourage maximum participation by such recognized private and voluntary organizations as the Polish-American Congress in the transportation of nonfinancial private contributions to Poland.

(Pub. L. 101–179, title VI, § 603, Nov. 28, 1989, 103 Stat. 1319.)

§ 5464. Economic and commercial officers at United States embassies and missions in Poland and Hungary

It is the sense of the Congress that, to the extent practicable—

¹ So in original. Probably should be “furtherance”.

² So in original. The comma probably should be a semicolon.

(1) the United States Embassy in Budapest, Hungary, should be assigned one additional economic and commercial officer;

(2) the United States Embassy in Warsaw, Poland, should be assigned one additional economic officer and one additional commercial officer;

(3) the United States Trade Center in Warsaw, Poland, should be assigned one additional economic and commercial officer; and

(4) the United States mission in Krakow, Poland, should be assigned one additional economic and commercial officer.

(Pub. L. 101-179, title VI, §604, Nov. 28, 1989, 103 Stat. 1320.)

SUBCHAPTER VI—REPORTS TO CONGRESS

§ 5471. Report on initial steps taken by United States and on Poland's requirement for agricultural assistance

(a) Initial report

Not later than 60 days after November 28, 1989, the President shall submit a report to the Congress—

(1) describing the steps taken by the United States Government pursuant to subchapter I of this chapter, in particular sections¹ 5412(a) and (b) of this title;

(2) assessing Poland's requirements for additional agricultural assistance during fiscal year 1990 and its requirements for agricultural assistance during fiscal years 1991 and 1992; and

(3) specifying how much agricultural assistance the President proposes be provided by the United States to meet those requirements.

(b) Updating assessments

As additional information becomes available, the President shall provide to the Congress revised assessments of Poland's requirements for agricultural assistance during fiscal years 1991 and 1992, specifying how much agricultural assistance the President proposes be provided by the United States to meet those requirements.

(Pub. L. 101-179, title VII, §701, Nov. 28, 1989, 103 Stat. 1320.)

DELEGATION OF FUNCTIONS

Functions of President under this subchapter relating to reports to Congress delegated to Coordinator of the SEED Program by section 1 of Ex. Ord. No. 12703, Feb. 20, 1990, 55 F.R. 6351, set out as a note under section 5401 of this title.

§ 5472. Report on confidence building measures by Poland and Hungary

Not later than 180 days after November 28, 1989, the President shall submit a report to the Congress identifying—

(1) the confidence building measures Poland and Hungary could undertake to facilitate the negotiation of agreements, including bilateral customs and technology transfer agreements, that would encourage greater direct private sector investment in that country; and

(2) the confidence building measures Poland and Hungary could undertake with respect to

the treatment accorded those countries under the Export Administration Act of 1979 [50 U.S.C. App. 2401 et seq.].

(Pub. L. 101-179, title VII, §702, Nov. 28, 1989, 103 Stat. 1320.)

REFERENCES IN TEXT

The Export Administration Act of 1979, referred to in par. (2), is Pub. L. 96-72, Sept. 29, 1979, 93 Stat. 503, as amended, which is classified principally to section 2401 et seq. of the Appendix to Title 50, War and National Defense. For complete classification of this Act to the Code, see Short Title note set out under section 2401 of the Appendix to Title 50 and Tables.

§ 5473. Report on environmental problems in Poland and Hungary

The first report submitted pursuant to section 5474 of this title shall include the following:

(1) Assessment of problems

An overall assessment of the environmental problems facing Poland and Hungary, including—

(A) a relative ranking of the severity of the problems and their effects on both human health and the general environment;

(B) a listing of the geographical areas of each country that have suffered the heaviest environmental damage, and a description of the source and scope of the damage; and

(C) an assessment of the environmental performance of leading industrial polluters in those countries and the expected effect on pollution levels of industrial modernization.

(2) Priorities and costs for action

An analysis of the priorities that Poland and Hungary should each assign in addressing its environmental problems, and an estimate of the capital and human resources required to undertake a comprehensive program of environmental protection in that country.

(3) Role of United States and multilateral assistance

A statement of strategy for United States assistance for the next 5 years to address environmental problems in Poland and Hungary, including—

(A) recommendations for appropriate levels and forms of bilateral financial and technical assistance;

(B) recommendations concerning United States participation in cooperative multilateral undertakings;

(C) an assessment of the feasibility of debt-for-nature swaps as a technique of environmental protection in each country; and

(D) recommendations for minimizing further environmental damage to Krakow, and for the protection and restoration of historic sites in that city.

(Pub. L. 101-179, title VII, §703, Nov. 28, 1989, 103 Stat. 1321.)

§ 5474. Annual SEED Program report

(a) Findings

The Congress finds that—

(1) in order to provide the President with maximum flexibility and opportunity for inno-

¹ So in original. Probably should be "section".

vation in implementation of the SEED Program, this chapter sets forth general goals and modalities for the support of democracy and economic pluralism in Eastern Europe;

(2) prompt United States action in devising specific measures to achieve the goals outlined in this chapter will be crucial in generating the public awareness, and the international commitment, necessary for United States leadership of a successful multilateral program of assistance in Eastern Europe; and

(3) clear-cut delineation of such United States actions at an early date is integral to United States leadership of this effort.

(b) Initial SEED Program report

Accordingly, the first report pursuant to subsection (c) of this section shall be a comprehensive report that includes a full description of all SEED Actions taken pursuant to each provision of this chapter since November 28, 1989.

(c) Annual SEED Program report

Not later than January 31 of each year (beginning in 1991), the President shall submit to the Congress a “Report on the United States Program of Support for East European Democracy (the SEED Program)”. Each such report shall describe the assistance provided to each East European country under this chapter during the preceding fiscal year. In addition, each such report shall contain an assessment of the progress made by each such recipient country in—

(1) implementing economic policies designed to promote sustained economic growth, develop economic freedom, and increase opportunities for the people of that country; and

(2) adopting and implementing constitutional, legal, and administrative measures that—

(A) affect the powers of the executive and legislative authorities and the independence of the judiciary,

(B) affect the formation and operation of independent political parties, groups, associations, or organizations, or

(C) affect fundamental human rights and civil liberties.

(Pub. L. 101-179, title VII, § 704, Nov. 28, 1989, 103 Stat. 1321.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101-179, Nov. 28, 1989, 103 Stat. 1298, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5401 of this title and Tables.

§ 5475. Omitted

CODIFICATION

Section, Pub. L. 101-179, title VII, § 705, Nov. 28, 1989, 103 Stat. 1322, which required the President to submit to appropriate committees of Congress an annual report on the extent of espionage activities against the United States and other member countries of the North Atlantic Treaty Organization by operatives of the government of any East European country that was receiving assistance under this chapter, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, page 33 of House Document No. 103-7.

§ 5476. Notifications to Congress regarding assistance

Section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1; relating to reprogramming notifications) applies with respect to obligations of funds made available under that Act [22 U.S.C. 2151 et seq.] to carry out this chapter, notwithstanding any other provision of this chapter.

(Pub. L. 101-179, title VII, § 706, Nov. 28, 1989, 103 Stat. 1322.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in text, is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended, which is classified principally to chapter 32 (§2151 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101-179, Nov. 28, 1989, 103 Stat. 1298, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5401 of this title and Tables.

SUBCHAPTER VII—MISCELLANEOUS PROVISIONS

§ 5491. Suspension of SEED assistance

The President should suspend all assistance to an East European country pursuant to this chapter if the President determines, and reports to the Congress, that—

(1) that country is engaged in international activities directly and fundamentally contrary to United States national security interests;

(2) the president or any other government official of that country initiates martial law or a state of emergency for reasons other than to respond to a natural disaster or a foreign invasion; or

(3) any member who was elected to that country’s parliament has been removed from that office or arrested through extra-constitutional processes.

(Pub. L. 101-179, title VIII, § 801, Nov. 28, 1989, 103 Stat. 1322.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101-179, Nov. 28, 1989, 103 Stat. 1298, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5401 of this title and Tables.

§ 5492. Declaration of the Republic of Hungary

(a) Findings

The Congress finds that—

(1) on October 23, 1989, in a public ceremony in Budapest, the acting President of Hungary declared the Hungarian state to be an independent, democratic Republic of Hungary;

(2) this public ceremony was held on the 33d anniversary of Hungary’s 1956 revolution that was bloodily suppressed by Soviet troops;

(3) this public ceremony was held in the same Kossuth Square where the first mass rally of the 1956 revolution was held;

(4) as a further symbol of Hungary’s faithfulness to the legacy of the revolution of 1956, the

declaration by the acting President was made from the same balcony from which Imre Nagy, the martyred Prime Minister of the revolutionary government of 1956, addressed the citizens of Budapest 33 years before;

(5) the heroic revolt and freedom fight of the Hungarian people in 1956 was an inspirational event, reminding a generation of Americans of the sacrifices people are willing to undertake as the price of liberty; and

(6) the present efforts of the Hungarian people to validate the legacy of the revolution of 1956 by establishing a free, independent, and prosperous Hungary have gained the sympathy and admiration of the American people.

(b) Congressional declarations

The Congress—

(1) congratulates the people of Hungary on the declaration of a Republic of Hungary committed to democratic principles; and

(2) expresses its desire to enhance the friendly relations between the people of Hungary and the people of the United States and between their respective governments.

(Pub. L. 101-179, title VIII, § 802, Nov. 28, 1989, 103 Stat. 1322.)

§ 5493. Administrative expenses of Agency for International Development

For the purpose of paying administrative expenses incurred in connection with carrying out its functions under this chapter, the Agency for International Development may use up to \$500,000 each fiscal year of the funds made available to the Agency under this chapter.

(Pub. L. 101-179, title VIII, § 803, Nov. 28, 1989, 103 Stat. 1323.)

ADMINISTRATIVE EXPENSES OF AGENCY FOR INTERNATIONAL DEVELOPMENT FOR FISCAL YEAR 1991; SUPERSEDITION OF SECTION

Pub. L. 101-513, title II, (d), Nov. 5, 1990, 104 Stat. 1994, provided that: “Up to \$1,000,000 of the funds appropriated under this heading [“Assistance for Eastern Europe”] may be used for the administrative expenses incurred by the Agency for International Development in connection with administering programs for Eastern Europe: *Provided*, That the authority of this subsection shall supersede for fiscal year 1991 the provisions of section 803 of the Support for East European Democracy (SEED) Act of 1989 [22 U.S.C. 5493].”

§ 5494. Relation of provisions of this chapter to certain provisions of appropriations acts

Any provision of the annual Foreign Operations, Export Financing, and Related Programs Appropriations Act that provides that assistance for Poland or Hungary under that Act may be provided “notwithstanding any other provision of law” shall not supersede any otherwise applicable provision of this chapter. This section shall not, however, be construed to apply with respect to section 599C(b) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (or a corresponding provision of a subsequent such appropriations Act. (Pub. L. 101-179, title VIII, § 804, Nov. 28, 1989, 103 Stat. 1323.)

REFERENCES IN TEXT

The Foreign Operations, Export Financing, and Related Programs Appropriations Act, referred to in text,

is for fiscal year 1990, Pub. L. 101-167, Nov. 21, 1989, 103 Stat. 1195. Section 599C(b) of the 1990 Act, 103 Stat. 1261, is not classified to the Code. For complete classification of this and other Foreign Operations, Export Financing, and Related Appropriations Acts to the Code, see Tables.

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101-179, Nov. 28, 1989, 103 Stat. 1298, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5401 of this title and Tables.

§ 5495. Certain uses of excess foreign currencies

(a) Authority to use

During fiscal year 1990, the Administrator of the Agency for International Development may use, for the purposes described in subsection (b) of this section, such sums of foreign currencies described in subsection (c) of this section as the Administrator may determine, subject to subsection (f) of this section.

(b) Purposes for which currency may be used

Foreign currencies may be used under this section—

(1) for the same purposes for which assistance may be provided under part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 and following; relating to economic assistance), and

(2) for the support of any institution providing education for a significant number of United States nationals (who may include members of the United States Armed Forces or the Foreign Service or dependents of such members).

(c) Currencies which may be used

The foreign currencies which may be used under this section are United States-owned excess foreign currencies that are in excess of amounts necessary for satisfaction of preexisting commitments to use such currencies for other purposes specified by law.

(d) Where currencies may be used

Foreign currencies may be used under this section in the country where such currencies are held or in other foreign countries.

(e) Nonapplicability of other provisions of law

Foreign currencies may be used under this section notwithstanding section 1306 of title 31 or any other provision of law.

(f) Requirement for appropriations action

The authority of this section may be exercised only to such extent or in such amount as may be provided in advance in an appropriation Act.

(Pub. L. 101-179, title VIII, § 805, Nov. 28, 1989, 103 Stat. 1323.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsection (b)(1), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424. Part I of the Act is classified generally to subchapter I (§2151 et seq.) of chapter 32 of this title. For provisions deeming references to subchapter I to include parts IV (§2346 et seq.), VI (§2348 et seq.), and VIII (§2349aa et seq.) of subchapter II of chapter 32, see section 202(b) of Pub. L. 92-226, set out as a note under section 2346 of this title, and sections 2348c and 2349aa-5 of this title. For complete classification of this Act to the

Code, see Short Title note set out under section 2151 of this title and Tables.

CHAPTER 64—UNITED STATES RESPONSE TO TERRORISM AFFECTING AMERICANS ABROAD

Sec.	
5501.	International negotiations concerning aviation security.
5502.	Coordinator for Counterterrorism.
5503.	Department of State notification of families of victims.
5504.	Designation of State Department-family liaison and toll-free family communications system.
5505.	Disaster training for State Department personnel.
5506.	Department of State responsibilities and procedures at international disaster site.
5507.	Recovery and disposition of remains and personal effects.
5508.	Assessment of Lockerbie experience.
5509.	Official Department of State recognition.
5510.	United States Government compensation for victims of terrorism.
5511.	Overseas Security Electronic Bulletin Board.
5512.	Antiterrorism measures.
5513.	Proposal for consideration by International Civil Aviation Organization.

§ 5501. International negotiations concerning aviation security

(a) United States policy

It is the policy of the United States—

- (1) to seek bilateral agreements to achieve United States aviation security objectives with foreign governments;
- (2) to continue to press vigorously for security improvements through the Foreign Airport Security Act¹ and the foreign airport assessment program; and
- (3) to continue to work through the International Civil Aviation Organization to improve aviation security internationally.

(b) Negotiations for aviation security

(1) The Department of State, in consultation with the Department of Transportation, shall be responsible for negotiating requisite aviation security agreements with foreign governments concerning the implementation of United States rules and regulations which affect the foreign operations of United States air carriers, foreign air carriers, and foreign international airports. The Secretary of State is directed to enter, expeditiously, into negotiations for bilateral and multilateral agreements—

- (A) for enhanced aviation security objectives;
- (B) to implement the Foreign Airport Security Act¹ and the foreign airport assessment program to the fullest extent practicable; and
- (C) to achieve improved availability of passenger manifest information.

(2) A principal objective of bilateral and multilateral negotiations with foreign governments and the International Civil Aviation Organization shall be improved availability of passenger manifest information.

(Pub. L. 101-604, title II, § 201, Nov. 16, 1990, 104 Stat. 3081.)

¹ See References in Text note below.

REFERENCES IN TEXT

No act with the title Foreign Airport Security Act, referred to in subsecs. (a)(2) and (b)(1)(B), has been enacted. The Foreign Airport Security Act probably means part B (§§ 551-559) of title V of Pub. L. 99-83, Aug. 8, 1985, 99 Stat. 222. For complete classification of part B to the Code, see Tables.

CONGRESSIONAL FINDINGS

Section 2 of Pub. L. 101-604 provided that: “Congress finds that—

“(1) the safety and security of passengers of United States air carriers against terrorist threats should be given the highest priority by the United States Government;

“(2) the report of the President’s Commission on Aviation Security and Terrorism, dated May 15, 1990, found that current aviation security systems are inadequate to provide such protection;

“(3) the United States Government should immediately take steps to ensure fuller compliance with existing laws and regulations relating to aviation security;

“(4) the United States Government should work through the International Civil Aviation Organization and directly with foreign governments to enhance aviation security of foreign carriers and at foreign airports;

“(5) the United States Government should ensure that enhanced security measures are fully implemented by both United States and foreign air carriers;

“(6) all nations belonging to the Summit Seven should promptly amend the Bonn Declaration to extend sanctions for all terrorist acts, including attacks against airports and air carrier ticket offices;

“(7) the United States Government, in bilateral negotiations with foreign governments, should emphasize upgrading international aviation security objectives;

“(8) the United States Government should have in place a mechanism by which the Government notifies the public, on a case-by-case basis and through the application of a uniform national standard, of certain credible threats to civil aviation security;

“(9) the United States Government has a special obligation to United States victims of acts of terrorism directed against this Nation and should provide prompt assistance to the families of such victims and assure that fair and prompt compensation is provided to such victims and their families;

“(10) the United States should work with other nations to treat as outlaws state sponsors of terrorism, isolating such sponsors politically, economically, and militarily;

“(11) the United States must develop a clear understanding that state-sponsored terrorism threatens United States values and interests, and that active measures are needed to counter more effectively the terrorist threat; and

“(12) the United States must have the national will to take every feasible action to prevent, counter, and respond to terrorist activities.”

§ 5502. Coordinator for Counterterrorism

The Coordinator for Counterterrorism shall be responsible for the coordination of international aviation security for the Department of State.

(Pub. L. 101-604, title II, § 202, Nov. 16, 1990, 104 Stat. 3082.)

§ 5503. Department of State notification of families of victims

(a) Department of State policy

It is the policy of the Department of State pursuant to section 2715 of this title to directly